FORT KNOX MINE PROJECT

Addendum to Ft. Knox Millsite Permit

ADL No. 414960 ADL No. 414961

DEPARTMENT OF NATURAL RESOURCES Division of Mining, Land and Water

December 20, 2000

I. Action Requested

Fairbanks Gold Mining, Inc. ("FGMI") has requested under Section 22 of Millsite Permit ADL's 414960 and 414961 for the Ft. Knox Mine ("Millsite Permit") that the Department of Natural Resources, Division of Mining, Land and Water ("DNR") and the Mental Health Trust Land Office ("TLO") modify the Millsite Permit to allow FGMI to accept and process at the Ft. Knox facility, ore originating from lands other than those currently allowed pursuant to the terms of the Millsite Permit.

DNR will modify the Millsite Permit to authorize FGMI's request that ore originating from sites other than lands currently allowed pursuant to Sections 2(g) and 3 of the Ft. Knox Millsite Permit ("off-site ore") be accepted and processed at the Ft. Knox Facility with the resulting off-site ore tailings to be placed in the existing tailings impoundment.

This addendum to the Millsite Permit (ATTACHMENT 1) authorizes the request by FGMI. Pursuant to Section 22 of the Millsite Permit the DNR, at its option and in its discretion, has given public notice, solicited public comment, held a public hearing, and considered public and agency input regarding FGMI's request to modify the Millsite Permit. The TLO operating under its authority (11 AAC 99) has reviewed the outcome from the public notice process and has approved the modifications requested by FGMI.

II. Discussion

FGMI proposed to accept and process off-site ore at the Ft. Knox facility. FGMI will be required to receive authorization from the Department of Environmental Conservation ("DEC") before such acceptance and processing can take place. Authorization must be received under Solid Waste Disposal Permit 0031-BA008 to be issued by DEC for the Ft. Knox tailings impoundment. This permit requires specific procedures be completed by FGMI and evaluated by DEC prior to DEC deciding whether to authorize any off-site ore to be accepted at the facility and processed. The DEC's procedures are found in ATTACHMENT 2. These procedures allow DEC to evaluate

what, if any, changes may result in monitoring, closure, tailings, water quality, or reclamation from the addition of tailings from off-site ore, to insurance that the resulting tailings will not prevent the attainment of water quality standards at permanent closure.

If DEC authorizes any off-site ore to be accepted and processed, the resulting tailings would be deposited to the existing Ft. Knox tailings disposal impoundment. No additional construction to the tailing disposal impoundment dam would be required as approval for such additional tailings from off-site ore would be limited to the design capacity of the approved impoundment dam determined by the final elevation of 1483 feet to which tailings would be allowed under the Certifiate to Operate the tailings impoundment dam.

Both the DNR and TLO manage land in the area covered by the Millsite Permit. State land managed by DNR includes all land within the existing Millsite Permit area except the mill area (Tract C-2), and Upland Mining Lease ADL 535408 (Tract C-3), which are owned by the Mental Health Trust ("MHT") and managed by the TLO as shown in ATTACHMENT 3.

The existing mill at Ft. Knox, which is located on land that now belongs to the MHT, will be used to process off-site ore in addition to ore from Upland Mining Lease ADL 535408. The TLO has a fiduciary responsibility to the beneficiaries of the MHT to generate revenue from Trust lands. The proposed modification to the Millsite Permit allows the TLO to extend the life of the Ft. Knox Project and increases the income stream generated for the Mental Health Trust, which will be used to improve the lives and circumstances of Trust beneficiaries throughout the state.

FGMI will only be authorized to accept and process off-site ore through the Ft. Knox facility after DEC has agreed, consistent with the DEC procedures, on a case-by-case basis under Section 1.2.2 of Solid Waste Permit 0031-BA008, that, as a result of processing ore, the tailings being discharged to the tailings impoundment meet DEC requirements.

Use of the Ft. Knox facility to process off-site ore reduces potential environmental impacts to other locations by eliminating the need for

additional milling and processing facilities and creation of additional tailings disposal sites, and provides for concentrated efforts to contain, monitor and control processing and disposal of tailings at the Ft. Knox facility. Provided that advance DEC approval is given for each new source of off-site ore, minimal risks result from the off-site ore tailings being placed in the tailings impoundment and would require no change to the already authorized footprint of the facility.

Ryan Lode, True North, Amanita, Steamboat/West ridge, and the Gil Extension are some of the known potential sites from which off-site ore could be brought to Ft. Knox for processing in the future. Another potential site is located on the Gilmore Satellite Tracking Station. Discussions with federal agencies concerning future acquisition by the State of a portion of PLO 3708 as amended by PLO 6709, currently withdrawn for the Gilmore Satellite Tracking Station have been held, but no decision will be provided the State until an evaluation is completed. Exploration on Ryan Lode has been discontinued. A map showing the locations of the above sites is provided as ATTACHMENT 4. The tailings resulting from processing of DEC approved off-site ore would be limited to the design capacity of the Ft. Knox tailings impoundment unless an acceptable alternative is authorized after appropriate analysis in the future.

Each proposal to transport off-site ore to Ft. Knox for processing must be independently evaluated at the time that a development proposal is submitted and the permitting process for the mine site is initiated. In the independent permitting application for the True North Project, FGMI currently proposes transporting ore from True North to Ft. Knox by truck and has applied to the appropriate agencies for approval of FGMI's preferred road route. FGMI had also stated that it intended to propose to transport ore from Ryan Lode to Ft. Knox should FGMI decide to proceed with the permitting process for the Ryan Lode Project and if DEC approved the Ryan Lode ore as off-site ore for processing at Ft. Knox. A proposed preferred transportation route for transportation of Ryan Lode ore had not been identified to the agencies yet. Instead exploration activities have been suspended. This is a good example of how optimistic hopes for such a project, when analyzed using the following criteria, are not realized as the Ryan Lode fails to meet the "development Project" criteria. DNR concurs with FGMI that none of the satellite deposits can be

considered "a project" or "reasonably foreseeable" for analysis purposes or for processing by DNR unless and until four criteria are met:

- 1. delineation of the ore body, including its size and grade, and a determination that it represents a mineable reserve;
- 2. preparation of a plan to extract the ore and dispose of overburden and waste rock in an environmentally acceptable manner;
- 3. development of sufficient environmental and social information to allow permits to be obtainable;
- 4. determination of project economic viability following steps through 3.

The Environmental Evaluation submitted by FGMI provides the current status of each of the satellite deposits *vis-à-vis* the above criteria to be as follows:

- o Ryan Lode because drilling showed insufficient ore at a high enough grade, Fort Knox General Manager, Tom Irwin, announced in early October 2000 that further exploration activity at the Ryan Lode has ceased. (This illustrates why none of the satellite deposits can be considered reasonably foreseeable until the above criteria have been met.)
- True North Phase 2 & 3 advance stage exploration/feasibility, definition drilling on close spaced grid, reserve modeling, budgeting
- o Gil early-stage exploration/pre-feasibility, needs infill drilling, early reserve modeling, costing
- Amanita grassroots exploration, soil sampling, geologic reconnaissance, scout drilling
- Steamboat/Westridge grassroots exploration, soil sampling, geologic reconnaissance, scout drilling

The Environmental Evaluation also explains the level of information available for each satellite deposit.

Because each of the satellite deposits is in an early/middle stage of exploration, the Environmental Evaluation made clear that its estimates were based upon hypothetical scenarios using information to the extent it was available. The Environmental Evaluation states: "The localized environmental impacts of mining at the satellite

deposits cannot be known or described until their ore bodies are delineated and relevant, permitable ore extraction plans are prepared." Nevertheless, "estimated areas of hypothetical development disturbance to wetlands" by hydrologic drainage were made using the best information available (see EE Section 4.20.8). Hypothetical impacts on the tailings impoundment at Fort Knox were estimated (see EE Section 4.20.5). Hypothetical socioeconomic impacts were estimated for the True North Project Area and the Greater Fairbanks area (see EE Section 4.20.6). Potential impacts to the regional air shed were estimated (see EE Section 4.20.7). Traffic impacts from the development of Central/Sheppard and Westridge/Steamboat which are within the True North Project Area were described; traffic impacts from then-potential development of the Ryan Lode deposit, exploration of which has now been discontinued, were described; and a more general description was given of traffic impacts from the Gil and Amanita deposits (see Section 4.20.9).

The Gil Extension is located in close proximity to Ft. Knox, but a route different than the existing Ft. Knox access road would be needed to transport Gil Extension ore to the Ft. Knox mill. FGMI has stated that it intends to request that off-site ore from the Gil Extension be authorized for processing at Ft. Knox, if and when FGMI decides to proceed with developing the Gil Extension and initiates the permitting process for that site.

The proposed development and resulting impacts of each future mine site that may deliver off-site ore to the Ft. Knox mill must be evaluated independently at the time each mine development proposal is submitted to initiate the permitting process. It is reasonably foreseeable at this time that potential effects of those projects as currently proposed or projected may include additional traffic, noise, and lights, as well as safety concerns that may be associated with the proposed trucking routes for any off-site ores transported. These issues, as they arise in the context of the True North Project, are considered by FGMI in the EE in the process for the True North Project. The other potential mining sites will be reviewed and analyzed for such impacts when concrete development proposals are submitted to initiate the review and permitting processes.

III. Authority/Administrative Record

The Millsite Permit was issued pursuant to AS 38.05.255. The authority to modify the Millsite Permit, as shown on ATTACHMENT 1, is pursuant to Section 22 of the Millsite Permit, AS 38.05.255, AS 38.05.801 and 11AAC regulations, as applicable.

The administrative record for the proposed DNR action is comprised of the Ft. Knox Project files and ADL's 414960 and 414961.

IV. Public Comments and Decision

The DNR proposed to modify the Millsite Permit by addendum and solicited public input. This decision to modify the Ft. Knox Millsite Permit is based upon the authority under AS 38.05.255, after consideration of public and agency comments, and is conditioned on the DEC granting prior approval to FGMI to accept and process offsite ore from each specific proposed ore body.

The Decisions Overview and Preface for the True North Project is incorporated by reference in this Decision.

The Addendum is issued under the conditions and limitations imposed by law and the existing Millsite Permit, and those additional conditions and limitations set out in the Addendum (ATTACHMENT 1) to the Millsite Permit.

December 20, 2000

Robert Loeffler Director

Division of Mining, Land and Water

Addendum to ADL 414960 and ADL 414961 Fort Knox Millsite Permit

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Pat Pourchot, Commissioner
Department of Natural Resources

December 20, 2000
Date

Appeal Right and Procedure

This is a final administrative order and decision of the department for purposes of an appeal to Superior Court. A person adversely affected by this final order and decision may (1) appeal to Superior Court within 30 days in accordance with the rules of the court, and to the extent permitted by applicable law, or (2) first request reconsideration of this decision, in accordance with AS 44.37.011 and 11 AAC 02.020, to Pat Pourchot, Commissioner, Department of Natural Resources, 550 W. 7th Avenue, Suite 1400, Anchorage, Alaska 99501. Any such request for reconsideration must be received at that address, or received by being faxed to 1-907-269-8918, by January 9, 2001. Failure of the commissioner to act on a request for reconsideration by January 19, 2001 is a denial of reconsideration and is also a final administrative order and decision for purposes of an appeal to Superior Court. It may then be appealed to Superior Court within a further 30 days in accordance with the rules of the court, and to the extent permitted by applicable law. A copy of 11 AAC 02 may be obtained from any regional information office of the Department of Natural Resources. This decision goes into effect January 19, 2001 unless the commissioner first orders reconsideration.

At the time a request for reconsideration is filed, an appellant may submit additional written material to support it, including evidence or legal argument. If the Commissioner orders reconsideration and if the Commissioner in his discretion under 11 AAC 02.050(a) further determines that there are questions of fact to be resolved that require a hearing, the hearing will be held in Fairbanks on January 16, 2001 at 10:00 A.M. at the Noel Wien Library. The hearing procedures under 11 AAC 02.050(b) will be announced at the time of his determination, if any. If a hearing is held, an appellant may submit additional written material at the hearing.

ATTACHMENT 1: ADDENDUM to Ft. Knox Millsite Permit dated February 15, 1994 (ADL's 414960 and 414961)

ATTACHMENT 2: ORE FROM SATELLITE PITS –Section 1.2.2 of Appendix A to Solid Waste Permit 0031-BA008

ATTACHMENT 3: Mental Health Trust Lands within the Millsite Permit.

ATTACHMENT 4: MAP SHOWING OTHER PROSPECTS

ATTACHMENT 1

ADDENDUM

TO

FORT KNOX MINE

MILLSITE PERMIT

ADL 414960 and ADL 414961

ADDENDUM TO MILLSITE PERMIT

ADL 414960 and ADL 414961

THIS ADDE	NDUM ("this Addendum"), modifying the Millsite Permit effective as of
February 15,	1994 (ADL Nos. 414960 and 414961) is agreed to and executed this
day of	, 2000, by the following parties ("the Parties"):

- (1) the State of Alaska Department of Natural Resources ("DNR"), acting by and through the Division of Mining, Land and Water ("Division") pursuant to AS 38.05.255;
- (2) the Mental Health Trust Land Office of DNR, acting on behalf of the Alaska

 Mental Health Trust Authority ("Trust Authority"), a public corporation within
 the Alaska Department of Revenue (AS 47.30.011 et seq.); and
- (3) Fairbanks Gold Mining, Inc. ("FGMI"), a Delaware corporation the address of which is #1 Fort Knox Road, P.O. Box 73726, Fairbanks, Alaska 99707-3726, which corporation is a wholly owned subsidiary of Kinam Gold Inc. (formerly known as Amax Gold Inc.) ("AGI"), a Delaware corporation all of the outstanding common shares of which are owned by Kinross Gold Corporation ("Kinross"), an Ontario corporation.

RECITALS

- A. Capitalized terms used and not otherwise defined in this addendum shall mean the same as in the Millsite Permit effective as of February 15, 1994, as amended.
- B. Effective as of February 15, 1994, DNR and FGMI entered into the Millsite Permit (ADL Nos. 414960 and 414961).
- C. Modification No. 1 to the Millsite Permit (comprising an amendment to Section 8.a.iii of the Millsite Permit as originally granted) is set forth in that certain Letter dated January 23, 1995, from Jules Tileston, Director of the Division of Mining within DNR, to William R. Jeffress, Chief of Environmental Services for FGMI. (The Millsite Permit effective as of February 15, 1994, as amended by said Modification No. 1 is referred to hereinafter as the "Millsite Permit".)
- D. Pursuant to (1) the settlement of Weiss v. State, Case No. 4FA-82-2208 Civil, embodied in 1991 SLA ch. 66, as amended and supplemented by 1994 FSSLA chs. 5 and 6, as amended and supplemented by 1994 SSSLA chs. 1 and 2, approved by the Superior Court on December 6, 1994, and affirmed by the Supreme Court in Weiss v. State, 939 P.2d 380 (Alaska 1997), and (2) that certain Quitclaim Deed No. 8000044 from the State Trust acting by and through the Mental Health Trust Land Office ("TLO") within DNR pursuant to AS 37.14.009(a)(2) and AS 38.05.801) dated September 20, 1996, recorded on

September 25, 1996, at Book 971, Pages 924-930, Fairbanks Recording District, the Trust Authority acquired all right, title, and interest of the State of Alaska in and to some but not all of the lands within the Permit Area.

E. The TLO and FGMI previously determined and agreed, in addition to continuing to allow gold-bearing ores derived from lands within the area described in Section 2.g of the Millsite Permit (i.e., Sections 1-36 of Township 2 North, Range 2 East, F.M., and Sections 4-9 and 16-21 of Township 2 North, Range 3 East, Fairbanks Meridian (the lands within said 48 sections are hereinafter referred to as the "Existing Authorized Area"), which lands include but are not limited to the lands within Upland Mining Lease ADL 535408 ("ADL 535408")) to be processed through the existing mill and tailings facilities situated within the Permit Area—it is in their respective best interests to allow other gold-bearing ores, whether derived from inside the Existing Authorized Area or from outside the Existing Authorized Area, to be processed through said mill and tailings facilities if (1) the State of Alaska Department of Environmental Conservation ("DEC"), on a case-by-case basis under Solid Waste Permit 0031-BA008 Section 1.2.2, approves such processing, and (2) appropriate amendments to the Plan of Operations, the Reclamation Plan, all other relevant permits and authorizations are approved by the issuers thereof in due course, and the tailings deposited in the approved tailings impoundment will not exceed the design elevation of 1483.

F. In order to allow (subject to compliance with the procedural requirements described above) gold-bearing ores from outside the Existing Authorized Area to be processed through the existing mill and tailings facilities situated within the Permit Area, certain modifications to the Millsite Permit must be made.

G. The modifications to the Millsite Permit that are made pursuant to this Addendum are authorized by applicable law and are authorized and contemplated under Section 22 of the Millsite Permit.

NOW, THEREFORE the Parties agree as follows:

1. <u>Definitions</u>.

For the purposes of this Addendum, the following terms not already defined above shall have the following meanings:

- a. "Millsite Operations" means those activities that are conducted in or on the Permit Area pursuant to and in compliance with the Plan of Operations and the Reclamation Plan and that are normally and reasonably associated with a millsite, including but not limited to the following:
 - i. crushing, milling, processing, beneficiation, concentrating,
 vat leaching, treating, storing, removing, transporting, and
 selling or otherwise disposing of

- (A) gold-bearing ores derived from lands within theExisting Authorized Area or
- (B) gold-bearing ores derived from lands outside the Existing Authorized Area,
- if (1) DEC, on a case-by-case basis under Solid Waste Permit 0031-BA008 Section 1.2.2, has approved such processing and (2) appropriate amendments to the Plan of Operations, the Reclamation Plan, and all other relevant permits and authorizations have been approved by the issuers thereof in due course;
- placing, constructing, erecting, installing, maintaining,
 repairing, using, replacing, and removing excavations,
 openings, shafts, ditches, drains, settling ponds, tailings
 ponds, stockpiles, waste dumps, roads, haulageways,
 buildings, structures, machinery, equipment, and other
 Facilities at locations specified in the Plan of Operations and
 the Reclamation Plan, on or below the surface of the Permit
 Area, as may be reasonably necessary or desirable for the
 purpose of engaging in the activities described in paragraph i
 above;

- iii. reclaiming the Permit Area in conformance with the provisions of (A) the Millsite Permit as modified by this Addendum and (B) the Reclamation Plan; and
- any and all other actions in or on the Permit Area which may
 be reasonably necessary or desirable to carry on Millsite
 Operations subject to the limitations and restrictions of any
 and all other permits, authorizations, statutes, laws,
 regulations, and ordinances existing at the time of the action.
- b. "Plan of Operations" means the plan of operations submitted to the Division by FGMI in accordance with 11 AAC 86.800, as said plan of operations is updated, revised, amended, or supplemented from time to time by FGMI and approved by the Division and the TLO, for
 - *i.* the development and operation of an open pit gold mine on the lands within ADL 535408 and
 - *ii.* the conduct of Millsite Operations within the Permit Area.
- c. "Project Description" means the "Project Description for the Fort Knox Mine (August 1992)" submitted by FGMI to the Division, as said document is updated, revised, amended, or supplemented from time to time by FGMI in a writing submitted to the Division and the TLO, describing

- i. the proposed development and operation of an open pit gold
 mine on lands within ADL 535408 and
- *ii.* the proposed Millsite Operations within the Permit Area.

2. Additional Grant.

Subject to the reservations, exceptions, exclusions, limitations, conditions, and other provisions contained in the Millsite Permit as modified by this Addendum, DNR and the TLO hereby grant to FGMI and its successors and assigns the right to use the Permit Area to conduct Millsite Operations on, for, respecting, or in connection with gold-bearing ores derived from outside the Existing Authorized Area, subject to (A) approval by DEC, on a case-by-case basis under Solid Waste Permit 0031-BA008 Section 1.2.2, of such operations, (B) approval by the Division and the TLO of appropriate updates, revisions, amendments, or supplements to the Plan of Operations for the Permit Area, (C) approval by the Division and the TLO of any necessary updates, revisions, amendments, or supplements to the Reclamation Plan for the Permit Area, and (D) receipt by FGMI of any other necessary regulatory approvals or authorizations required at the time, to have and to hold said additional right for the term set forth in the Millsite Permit:

3. <u>Use Charge For General State Lands.</u>

- a. Nothing herein changes the manner in which the Use Charge, or any other amount or amounts, which may become due and owing to the Division respecting any of the general state lands within the Permit Area, shall be determined and paid.
 - b. Notwithstanding the foregoing, during the period commencing on the effective date hereof FGMI hereby agrees to work with the Division to determine an appropriate adjustment to the "reasonable annual rent" charged pursuant to AS 38.05.255 for the placement of tailings derived from the processing of off-site ore in the existing Ft. Knox tailings facility located in the Permit Area. The adjustment must be acceptable to the Division and agreed upon prior to FGMI processing any off-site ore.

4. <u>Nonpossessory Interest in Real Property.</u>

The additional rights granted to FGMI by this Addendum shall constitute a nonpossessory interest in real property in the nature of

- (a) an easement appurtenant to ADL 535408, if and for so long asADL 535408 remains in effect during the term of the Millsite Permit, and
- (b) a transferable easement in gross for so long as the Millsite Permit remains in effect after the termination or expiration of ADL 535408,

which is granted for the term provided in Section 4 of the Millsite Permit but is subject

to termination upon a material breach of the Millsite Permit that is not cured in the

manner provided in Section 18 of the Millsite Permit. No estate in or to the lands within

the Permit Area is conveyed to FGMI by this Addendum.

5. <u>Further Actions</u>.

The Parties hereby agree to take such actions and to execute such additional

instruments as may be reasonably necessary or desirable from time to time to implement

the intents and purposes of the Millsite Permit as modified by this Addendum and to

provide constructive notice thereof.

Without limiting the generality of the foregoing, the Parties hereby agree in good

faith to seek to prepare, revise, and finalize, prior to December 31, 2001, the terms of an

amended and restated millsite lease under AS 38.05.255 that restates the terms of the

Millsite Permit as modified by this Addendum and other agreements that have been or

will be executed by the Parties respecting any of the lands within the Permit Area, but

the failure of the parties to finalize such an amended and restated millsite lease shall not

affect the validity or continuing effectiveness of either (1) the Millsite Permit as

modified by this Addendum or (2) such agreements that have been or will be executed

by the Parties respecting any of the lands within the Permit Area.

ADDENDUM TO MILLSITE PERMIT ADL Nos. 414960 and 414961

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EFFECTIVE as of the	day of	, 2
		ALASKA IENT OF NATURAL RESOURCES OF MINING, LAND AND WATER
	By:Robe	ert Loeffler, Director
	ALASKA N	MENTAL HEALTH TRUST LAND OFFICE
	_	hen C. Planchon, Executive Director KS GOLD MINING, INC.
	-	
, Alask (name) ALASKA DEPARTMEN	THAT on the ca, the foregoin)) ss.) e day of, 2, at ng document was acknowledged before me by, Director of the STATE OF RAL RESOURCES, DIVISION OF MINING, d division within said department acting pursuant uthority.
		Notary Public for the State of Alaska My commission expires

STATE OF ALASKA)
) ss.
JUDICIAL DISTRICT)
THIS CERTIFIES THAT on the	day of, 2, at g document was acknowledged before me by
, Alaska, the foregoing	g document was acknowledged before me by
(name)	, on behalf of Alaska Mental Health Trust
Alaska Mental Health Trust Land Office	, on behalf of Alaska Mental Health Trust
Authority, a public corporation within th	e Alaska Department of Revenue (AS
47.30.011 et seq.) and other applicable a	uthority.
	Notary Public for the State of Alaska
	My commission expires
STATE OF ALASKA)
) ss.
JUDICIAL DISTRICT)
THIS CERTIFIES THAT on the	day of, 2, at
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(name)	<u>, (title)</u>
of FAIRBANKS GOLD MINING, INC.	, a Delaware corporation, on behalf of the
corporation.	
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	Notary Public for the State of Alaska
	My commission expires
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ATTACHMENT 2- ORE FROM SATELLITE PITS

Refer To Department of Environmental Conservation Solid Waste Permit 0031-BA008 being processed concurrently with Department of Natural Resources Ft. Knox Millsite Permit Addendum. If there is any different between the wording presented here and DEC's Permit, the wording of the Permit shall govern.

1.2 Limitations

- 1.2.1 The waste materials covered under this section are limited to up to 50,000 tons per day as a weekly average of processed and neutralized ore, meeting the conditions in this permit, deposited in the tailings impoundment.
- 1.2.2 Ore from satellite pits may be processed at Fort Knox provided that the following procedures are followed and the Department determines that there will be no impact on mine closure, reclamation, or water quality.
 - 1.2.2.1 Compare the chemistry of new ore to the chemistry of Ft. Knox ore and add any additional leachable constituents found in the new ore to Analytical Profile II in the Fort Knox Mine Monitoring Plan. Where required under this permit, use this revised Profile II for all monitoring.
 - 1.2.2.2 Determine the ore ratios (Tons of ore being processed at Ft. Knox to tons Satellite Pit ore) and perform Meteoric Water Mobility

 Procedure on mixed ore samples prior to beneficiation. Analyze rinse water and leachate using Profile II.
 - 1.2.2.3 Perform acid base accounting on mixed ore (ratios) prior to beneficiation. If net neutralization potential (NP) to acid generating potential (AP) is less than 3:1, a humidity cell test (kinetic) of adequate duration will be required. Leachate analysis will use Profile II.
 - 1.2.2.4 Perform acid base accounting on mixed ore (ratios) after beneficiation. If NP to AP ratio is less than 3:1, a humidity cell test (kinetic) of adequate duration will be required. Leachate analysis will use Profile II.
 - 1.2.2.5 Characterize the processed tailing solids (post cyanide detoxification) using Profile II. Compare to the original Fort Knox solids.

ATTACHMENT 2- ORE FROM SATELLITE PITS

1.2.2.6	Characterize the processed tailing liquor (post cyanide detoxification) using Profile II. Compare to the original Fort Knox liquor.
1.2.2.7	Perform Meteoric Water Mobility Procedure on processed tailing solids (after cyanide detoxification) using Profile II. Compare to original Fort Knox data.
1.2.2.8	Define all changes to the beneficiation or treatment processes which may affect monitoring, closure, tailings, water quality, or any other permit condition.
1.2.2.9	Submit each of the above to the department for review and approval before processing ore from each new satellite pit.



